HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 1201

SPONSOR(S): Taylor

Cargo Container Inspections

TIED BILLS: IDEN./SIM. BILLS: SB 2722

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) Transportation Committee		Pugh	Miller
2) Domestic Security Committee		_	
3) Transportation & Economic Development Appropriations Committee			
4) State Infrastructure Council			
5)			
5)			

SUMMARY ANALYSIS

Improving the security of the U.S. transportation infrastructure is one of the challenges facing this nation's elected officials, the business sector, and citizens. The federal Transportation Security Administration and The U.S. Coast Guard, as part of the U.S. Department of Homeland Security, are responsible for evaluating transpiration-related security concerns, developing security guidelines and criteria, and implementing regulations. These measures impact security at seaports, airports, and freight and passenger railroads.

Since September 11, 2001, the state of Florida has implemented its own transportation-related security initiatives, and provided state funding to implement these programs and help pay for federal requirements. Still, there are critical and expensive security issues – such as better screening of freight shipments – which government officials and the private sector are trying to address.

HB 1201 directs the Florida Department of Transportation (FDOT) to conduct a comprehensive study of the current procedures for inspecting cargo containers at airports, seaports, and rail stations in Florida. The study should include a review of current inspection procedures; the number of inspections relative to the number of cargo containers, the type of equipment and technology available to be used in cargo container screening; and the cost of this equipment and technology.

FDOT must report its findings from the study to the Governor, the Speaker of the House of Representatives and the Senate President before July 1, 2007. In that report, FDOT must include suggested methods of, how to increase the number of inspections to 100 percent of all cargo containers; how to make available more equipment and technology to improve and increase inspections; and how to increase funding sources to pay for these program changes.

HB 1201 has a negative fiscal impact on state government of \$4.5 million, the estimated cost of the study. It raises no apparent constitutional or other legal issues.

The bill takes effect July 1, 2006.

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FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

No House principles are implicated.

B. EFFECT OF PROPOSED CHANGES:

Background

Improving the security of the U.S. transportation infrastructure is the challenging responsibility of the federal government. The federal Transportation Security Administration and the U.S. Coast Guard, as well as their parent agency of the U.S. Department of Homeland Security, are responsible for evaluating transpiration-related security concerns, developing security guidelines and criteria, and implementing regulations. These measures impact security at seaports, airports, and freight and passenger railroads.

Although the federal government has taken the lead in transportation security, the state of Florida has implemented several initiatives in the last four years to improve security at its transportation hubs. These initiatives include: requirements for seaport and general-aviation airport security plans, photo identification cards for seaport workers; and flexibility in aviation and seaport state funding in order for the facilities to make security improvements required by the federal government.

Security of its transportation infrastructure is crucial for Florida, because its entire economy is intertwined with the mobility afforded by transportation systems:

- Florida has 19 major commercial service airports that serve 115 million passengers a year and transport \$12 billion worth of cargo.¹
- The state has 14 deep-water ports, which in 2002 handled more than \$44 billion in international trade and handled 119.2 million tons of cargo.² Besides freight, several ports also have thriving cruise ship enterprises. In 2002, an estimated 13 million people sailed out of Florida ports, and spent an estimated \$356 million in the state.³
- There are 14 major freight railroads that in 2003 transported nearly 2 million carloads (or 117 million tons) of goods and products throughout Florida and into the rest of the nation.
- Passenger rail service is limited in Florida, but important to the people who regularly use it.
 Amtrak has four routes in Florida that in 2004 carried 913,000 passengers. The state's only commuter rail service, Tri-Rail serving Broward, Miami-Dade and Palm Beach counties, carried 2.7 million passengers in 2003.⁵

Effect of Proposed Changes

HB 1201 directs FDOT to conduct a comprehensive study of the current procedures for inspecting cargo containers at airports, seaports, and rail stations in Florida. The study would include a review of the:

- Current inspection procedures;
- Number of inspections relative to the number of cargo containers,
- Equipment and technology used and available for these inspections; and
- Costs of that equipment and technology.

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Florida Aviation System Plan 2025. Prepared for FDOT and published May 2005. Copy available at http://www.cfaspp.com/Documents/Statewide%20Overview%2018%20May%202005.pdf

² A Five-Year Plan to Achieve the Mission of Florida's Seaport. Prepared by the Florida Seaport Transportation and Economic Development Council. April 2004. Copy available at: http://www.flaports.org/archive/2004.asp?Section=7 ibid

⁴ 2004 Florida Rail.. Prepared for FDOT. June 2005. Copy available at: http://www.dot.state.fl.us/rail/Publications/2004Plan

FDOT must report its findings from the study to the Governor, the Speaker of the House of Representatives and the Senate President before July 1, 2007.

The report must include the following suggestions:

- How to increase the number of inspections to 100 percent of all cargo containers;
- How to make more equipment and technology available to improve and increase inspections;
- What funding sources may be available to improve and increase the number of cargo inspections.

HB 1201 does not specify how FDOT will fund the study, so the agency anticipates contracting the study to a private consulting firm and paying for the study with existing funds.

HB 1201 takes effect July 1, 2006.

C. SECTION DIRECTORY:

Section 1: Directs FDOT to perform a study on cargo inspection. Lists issues to be studies. Requires report to Governor and Legislature by July 1, 2007.

Section 2: Provides an effective date of July 1, 2006.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

FDOT anticipates spending about \$4.5 million from the State Transportation Trust Fund on the study, which will be contracted to a private consulting firm.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

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A mandates analysis of HB 1201 is not applicable because bill does not appear to: require the counties or cities to spend funds or take an action requiring the expenditure of funds; reduce the authority that cities or counties have to raise revenues in the aggregate; or reduce the percentage of a state tax shared with cities or counties.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

Not applicable.

C. DRAFTING ISSUES OR OTHER COMMENTS:

FDOT staff says that the federal Department of Homeland Security and other federal agencies are clearly responsible for cargo inspections, not the individual states. According to FDOT, the states' role in this and other security issues is to implement the laws passed by Congress and the regulations promulgated by federal agencies.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE & COMBINED BILL CHANGES

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